

Division of Human Resources
Announcement of Changes to Compensation Plan and Salary Schedule
May 11, 2006

Every job in the state classified system has been assigned a new pay grade (salary range) for FY07. Assignments are by classification. Effective July 1, 2006, all references to alpha order pay grades will be obsolete. New pay grade assignments are indicated by number.

Per DHR Rules 070.04 and .05, the new salary schedule has been announced in a public meeting after notice. The new pay grade assignments will be published on the DHR website, Friday, May 12, 2006. All other changes to the Compensation Plan will be detailed in temporary rules still in development. Temporary rules will be issued effective July 1st, to assist with implementation of Senate Bill 1363. Many of these rules will also be considered pending rules, and will be discussed at length in hearings around the state to gather public input. Details related to the rule process will be published in the next few weeks.

Process for New Salary Range Assignment

1. DHR held a series of meetings to gather agency expertise on the accuracy of state jobs to market survey jobs to verify market average pay matches.
2. A new pay line was defined using the correlation of Hay Points to actual market average pay data. This new pay line moves the midpoint an average of 3.7%.
3. Each classification was noted for the Hay Points assigned. This factor was given a placement weight of 60%.
4. Each classification was also given points for market data. These points were calculated using a formula that included comparison of the average market rate for each classification and midpoint of the new pay line. This factor was given a placement weight of 40%.
5. The Hay Points and new "market points" were added together to create the total points listed on the pay schedule. The total points are used to assign the pay grade for the classification.

Implementation

1. Every classification has been assigned a new pay grade.
2. Each classification currently on pay line exception has been reviewed for the need to continue, and those continuances granted for one year. DHR will assign new pay grades based on the midpoints of current pay line exception assignments.

3. Every classification where the new minimum was above current salaries was given a special transitional pay grade assignment for FY07. This transitional pay grade will allow for additional funding to be requested and/or salary savings to be directed to those areas of greatest need.

4. Every classification where the new maximum was below the current salary of a current employee was also given a special temporary pay grade assignment, designed to retain those employees. However, that pay grade will indicate future base pay raises, above the maximum for the numeric base pay grade, will not be allowed. These employees are still eligible for a variety of other variable pay awards.

Limitations

The fiscal impact of the changes to the salary structure could not exceed the total amount appropriated for salary increases for FY07.

The distribution of the 3% CEC in January was conducted before new pay grade assignments were established.

Review and Reconsideration Requests

If an agency or individual believes the pay grade assigned is improper due to questions regarding the accuracy of Hay Point valuation or Market Average job matching, they should contact DHR. Such requests will be addressed as quickly as possible, but the requests with the greatest number of incumbents will be prioritized for analysis. Please email or call DHR, with "Request for Review of Pay Grade Assignment," as the subject. Our staff will work to verify or change the assignment as the analysis indicates.

If the disputed assignment cannot be resolved, individuals may appeal the DHR decision to the Idaho Personnel Commission.